REMARKS

Claims 1-20 are pending in the application. Claims 1, 4, 5, 6, 9-12 and 15-20 are rejected. Claims 2, 3, 7, 8, 13 and 14 are objected to. Reconsideration of the claims is respectfully requested. No new subject matter has been added.

Allowable Subject Matter

Claims 2, 3, 7, 8, 13 and 14 are objected to as being dependent upon a rejected base claim. Claims 2, 3, 7, 8, 13 and 14 have been rewritten in independent form including all of the limitations of the base claim and any intervening claims and are therefore now allowable.

Claim Objections

Claims 2-8 and 10 are objected to because of the following informalities:

- (1) In claims 1-8, the word "spread spectrum" in front of the encoder should be removed to be consistent with the preamble "an encoder".
- (2) In claim 10, line 1, should be "claim 9" in order to have sufficient antecedent basis for spread spectrum correlator.

Claims 2-8 and 10 have been amended as suggested by the Examiner.

Claim Rejections - 35 U.S.C. § 102

Claims 1, 6, 9, 10 and 15-20 are rejected under 35 U.S.C. § 102(b) as being anticipated by Van Driest (U.S. Patent No. 6,115,411).

Claim Rejections - 35 U.S.C. § 103

Claims 4, 5, 11 and 12 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Van Driest (U.S. Patent No. 6,115,411) in view of the Admitted Art, Fig. 2 and Fig. 3.

Clam 1 has been amended to specify a slip encoder configured to encode other data values into the encoded data stream by varying time spacing between the spread spectrum codes, wherein the other data values correspond to an amount of non-overlapping time delay inserted by the slip encoder between the generation of adjacent non-overlapping spread spectrum codes.

This is clearly shown in FIG. 4 where the amount of non-overlapping delay 54 between non-overlapping PN codes 50 and 52 is varied according to a second data value 56.

Van Driest does not encode addition data according to an amount of delay between non-overlapping spread spectrum codes. Van Driest uses code position modulation to encode

additional data by varying the amount of <u>overlapping</u> between portions of consecutive Barker sequences (col. 6, lines 1-4). One problem with Barker is that interference will be created between the overlapping transmitted codes. Thus, the code transmissions may be less reliable.

Conversely, claim 1 of the present application encodes additional data not by overlapping code sequences but by inserting different amounts of non-overlapping time delay between adjacent non-overlapping spread spectrum codes.

Accordingly, clam 1 is allowable under 35 U.S.C. § 102(b) over Van Driest. Claims 9 and 16 have been amended in a similar manner and are therefore allowable

CONCLUSION

For the foregoing reasons, reconsideration and allowance of claims 1-20 of the application as amended is requested. The Examiner is encouraged to telephone the undersigned at (503) 222-3613 if it appears that an interview would be helpful in advancing the case.

Respectfully submitted,

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